

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BULLITT UTILITIES,	)	
INC., D/B/A HUNTERS HOLLOW SEWER SYSTEM,	)	
FOR CERTIFICATE OF CONVENIENCE AND	)	
NECESSITY TO CONSTRUCT CERTAIN ADDITIONS	)	CASE NO.
AND IMPROVEMENTS TO THE EXISTING SEWER	)	89-036
FACILITIES AND AUTHORITY TO BORROW	)	
REQUIRED FUNDS TO MAKE THESE IMPROVEMENTS	)	

O R D E R

Bullitt Utilities, Inc., d/b/a Hunters Hollow Sewer System ("Bullitt Utilities") filed an application on February 9, 1989 for a Certificate of Public Convenience and Necessity authorizing the construction of sewage treatment facility improvements, consisting of pump station, influent line, water line replacement, pumps, roof repair, and gas chlorination system, and for approval of financing.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

1. Public convenience and necessity requires that the construction proposed in the application be performed and that a Certificate of Public Convenience and Necessity be granted.

2. The construction project proposed by Bullitt Utilities consists of pump station, influent line, roof repair, water line replacement, pumps, and gas chlorination system.

3. The proposed construction has been reviewed and approved by the Kentucky Natural Resources and Environmental Protection Cabinet.

4. Upon completion, the proposed construction will allow for sewage treatment service to 190 additional customers in the Hunters Hollow Subdivision of Bullitt County, Kentucky.

5. The cost of the proposed construction of \$65,000 will be financed with a \$65,000 loan from First National Bank of Louisville. The loan term is for a period not to exceed 5 years. The interest rate on the loan is variable and will be 1 percentage point greater than the prime interest rate.

6. The proposed \$65,000 loan from First National Bank of Louisville is for lawful objects within Bullitt Utilities' corporate purposes, is necessary and appropriate for and consistent with the proper performance of services to the public and will not impair its ability to perform these services, and is reasonably necessary and appropriate for such purposes.

IT IS THEREFORE ORDERED that:

1. Bullitt Utilities be and hereby is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction and improvements herein approved.

2. Bullitt Utilities is authorized to borrow \$65,000 from First National Bank of Louisville to finance the proposed construction. Bullitt Utilities shall submit to the Commission a copy of the executed loan agreement within 15 days of its execution.

3. The proceeds from the \$65,000 loan from First National Bank of Louisville shall be used only for the lawful purposes specified in Bullitt Utilities' application.

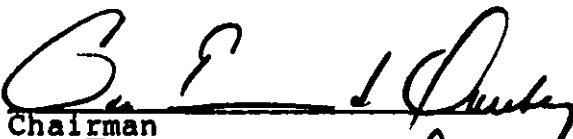
4. Any deviations from the construction and improvements herein approved which could adversely affect service to any customer shall be subject to the prior approval of the Commission.

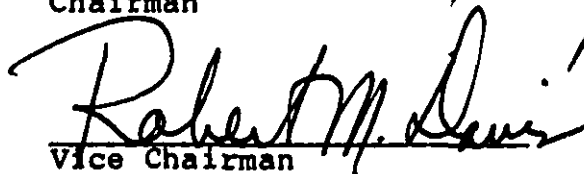
5. Bullitt Utilities shall furnish duly verified documentation of the total cost of the proposed project including the cost of construction and other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Said construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Sewer Utilities prescribed by the Commission.

Nothing contained herein shall be deemed to be a warranty of the financing authorized herein on the part of the Commonwealth of Kentucky or any agency thereof.

Done at Frankfort, Kentucky, this 21st day of September, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Acting Executive Director